Income Tax - Gross Conservation Easement

What is the gross conservation easement income tax credit?

An income tax credit is available for tax years beginning on or after January 1, 2000, for the donation of a perpetual conservation easement in gross on real property located in Colorado. The credit is computed using the fair market value of the easement.

A conservation easement in gross is a right of the owner of the easement to prohibit certain acts with respect to the property in order to maintain the property in a manner that will preserve its value for recreation, education, habitat, open space, or historical importance. See, §38-30.5-102, C.R.S. for a complete definition.

The donation must be made to a governmental entity or a charitable organization that is exempt under section 501(c)(3) of the Internal Revenue Code of 1954, as amended, and created at least two years prior to receipt of the easement.